

05/11/2012

220 BLUEWATER DR  
 AB 229 M TOLLETT SURVEY, BLUEWATER OF TAWAKONI LOTS 1-26, 66(WF), 66A  
 EAST TAWAKONI, TX 75472

SCHEEF & STONE, LLP  
 500 N AKARD ST, STE 2700, DALLAS, TX 75201

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**SUMMARY OF SALIENT FEATURES**

SUBJECT INFORMATION	Subject Address	220 BLUEWATER DR
	Legal Description	AB 229 M TOLLETT SURVEY, BLUEWATER OF TAWAKONI LOTS 1-26, 66(WF), 66A
	City	EAST TAWAKONI
	County	RAINS
	State	TX
	Zip Code	75472
	Census Tract	9502.00
	Map Reference	RAINS COUNTY
SALES PRICE	Sale Price	\$ N/A
	Date of Sale	N/A
CLIENT	Borrower/Client	N/A
	Lender	SCHEEF & STONE, LLP
DESCRIPTION OF IMPROVEMENTS	Size (Square Feet)	1,708
	Price per Square Foot	\$
	Location	LAKE/AVG
	Age	17
	Condition	AVERAGE
	Total Rooms	8
	Bedrooms	4
	Baths	2.0
APPRAISER	Appraiser	DEVLIN KIRCHMAN
	Date of Appraised Value	05/11/2012
VALUE	Final Estimate of Value	\$ 139,000

JERRY KIRCHMAN & ASSOCIATES  
P. O. BOX 8038  
GREENVILLE, TX 75404

SCHEEF & STONE, LLP  
500 N AKARD ST  
DALLAS, TX 75201

Re: Property: 220 BLUEWATER DR  
EAST TAWAKONI, TX 75472  
Borrower: N/A  
File No.:

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

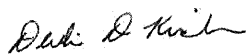
The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



DEVLIN KIRCHMAN

## Summary Appraisal Report

## Uniform Residential Appraisal Report

File # 11023495

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address	220 BLUEWATER DR	City	EAST TAWAKONI	State	TX	Zip Code	75472
Borrower	N/A	Owner of Public Record	LARRY WUBBENA	County	RAINS		
Legal Description	AB 229 M TOLLETT SURVEY, BLUEWATER OF TAWAKONI LOTS 1-26, 66(WF), 66A						
Assessor's Parcel #	6242	Tax Year	2011	R.E. Taxes \$	3,841.30		
Neighborhood Name	EAST TAWAKONI, TX	Map Reference	RAINS COUNTY	Census Tract	9502.00		
Occupant	<input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant	Special Assessments \$	N/A	<input type="checkbox"/> PUD	HOA \$	<input type="checkbox"/> per year <input type="checkbox"/> per month	
Property Rights Appraised	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)						
Assignment Type	<input type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input checked="" type="checkbox"/> Other (describe) ASSET VALUATION						
Lender/Client	SCHEEF & STONE, LLP	Address	500 N AKARD ST, STE 2700, DALLAS, TX 75201				
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No							
Report data source(s) used, offering price(s), and date(s). MLS#11725446, LIST PRICE \$125,000, LIAT DATE 2/15/2012, DOM 72							

I ☐ did ☐ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price \$	N/A	Date of Contract	N/A	Is the property seller the owner of public record?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Data Source(s)	
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? <input type="checkbox"/> Yes <input type="checkbox"/> No							
If Yes, report the total dollar amount and describe the items to be paid. SEE LENDER							

**Note: Race and the racial composition of the neighborhood are not appraisal factors.**

Neighborhood Characteristics		One-Unit Housing Trends		One-Unit Housing		Present Land Use %	
Location	<input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	PRICE	AGE	One-Unit	30 %
Built-Up	<input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	%
Growth	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time	<input type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	30	Low	0	Multi-Family %
Neighborhood Boundaries THE SUBJECT PROPERTY IS BOUNDED BY HWY 34 ON THE WEST, HWY 69 TO THE EAST, FM 1564 ON THE NORTH AND HAY 80 ON THE SOUTH.				500	High	50	Commercial %
Neighborhood Description SUBJECT FITS WELL INTO THE SURROUNDING NEIGHBORHOOD. ACCESS IS CONSIDERED AVERAGE ALONG A CITY MAINTAINED STREET. SCHOOLS, EMPLOYMENT, RECREATION AND SHOPPING AREA ARE WITHIN 5 MINUTES OF THE SUBJECT. NO PUBLIC TRANSPORTATION IS AVAILABLE				125	Pred.	30	Other 70 %

Market Conditions (including support for the above conclusions) THE EAST TAWAKONI/RAINS COUNTY REAL ESTATE MARKET APPEARS STABLE WITH CONSISTENT FINANCING AVAILABLE THROUGHOUT THE AREA. THE INTEREST RATES REMAIN LOW ENOUGH TO ENCOURAGE BUYERS AND DISCOUNT POINTS DO NOT APPEAR TO BE REQUIRED ON MOST TRANSACTIONS AT THIS TIME. SUPPLY AND DEMAND APPEARS STABLE IN THE SUBJECT AREA.

Dimensions	28 LOTS	Area	8.5 ACS	Shape	RECTANGULAR	View	RESIDENTIAL/LAKE
Specific Zoning Classification	RESIDENTIAL						
Zoning Description	SINGLE FAMILY RESIDENTIAL						
Zoning Compliance	<input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)						
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe							

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>		Water	<input checked="" type="checkbox"/>	Street ASPHALT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>		Sanitary Sewer	<input checked="" type="checkbox"/>	Alley NONE	<input type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area ☐ Yes ☒ No FEMA Flood Zone X FEMA Map # 48379C0020D FEMA Map Date 04/17/2012

Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe

General Description		Foundation		Exterior Description		materials/condition		Interior		materials/condition	
Units	<input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input type="checkbox"/> Concrete Slab <input checked="" type="checkbox"/> Crawl Space		Foundation Walls	BLOCKS	Floors	CPT/TILE/AVG				
# of Stories	1.5	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement		Exterior Walls	SIDING/AVG	Walls	DRYWALL/AVG				
Type	<input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det/End Unit	Basement Area	sq.ft.	Roof Surface	COMP/AVG	Trim/Finish	WOOD/AVG				
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.		Basement Finish	%	Gutters & Downspouts	NONE	Bath Floor	TILE/AVG				
Design (Style)	TRADITIONAL	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump		Window Type	ALUMINUM	Bath Wainscot	PREFORMED/AVG				
Year Built	1995	Evidence of <input type="checkbox"/> Infestation		Storm Sash/Insulated	NONE	Car Storage	<input type="checkbox"/> None				
Effective Age (Yrs)	15	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement		Screens	SCREENS/AVG	<input checked="" type="checkbox"/> Driveway	# of Cars 2				
Attic	<input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant		Amenities		Woodstove(s) #					
<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs		<input type="checkbox"/> Other	Fuel ELECTRIC	<input checked="" type="checkbox"/> Fireplace(s) # 1	<input checked="" type="checkbox"/> Fence CHLNK	<input type="checkbox"/> Garage	# of Cars				
<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle		Cooling <input checked="" type="checkbox"/> Central Air Conditioning		<input checked="" type="checkbox"/> Patio/Deck DECK	<input checked="" type="checkbox"/> Porch CVRD	<input checked="" type="checkbox"/> Carport	# of Cars 2				
<input type="checkbox"/> Finished <input type="checkbox"/> Heated		<input type="checkbox"/> Individual <input type="checkbox"/> Other		<input checked="" type="checkbox"/> Pool ABOVE GRD	<input checked="" type="checkbox"/> Other SPA	<input type="checkbox"/> Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in					

Appliances ☐ Refrigerator ☒ Range/Oven ☒ Dishwasher ☐ Disposal ☐ Microwave ☐ Washer/Dryer ☐ Other (describe)

Finished area above grade contains: 8 Rooms 4 Bedrooms 2.0 Bath(s) 1,708 Square Feet of Gross Living Area Above Grade

Additional features (special energy efficient items, etc.). ADDITIONAL FEATURES INCLUDE OVERSIZE 2 CAR CARPORT, LARGE STORAGE BUILDING, ABOVEGROUND POOL WITH LARGE WRAPAROUND DECK, SPA AND BOAT DOCK.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). THE PROPERTY APPEARS TO BE OF AVERAGE CONSTRUCTION AND QUALITY. THE SUBJECT APPEARS TO HAVE SOME NORMAL SETTLEMENT AND SHIFTING. THE KITCHEN HAS SOME SOFT SUBFLOORING THAT MAY NEED TO BE REPLACE IN THE FUTURE.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe

## Uniform Residential Appraisal Report

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There are 15 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 115,000 to \$ 192,000	
There are 14 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 94,000 to \$ 185,000	
FEATURE	SUBJECT
Address 220 BLUEWATER DR EAST TAWAKONI, TX 75472	360 CR 1540 POINT, TX
Proximity to Subject	0.88 miles W
Sale Price	\$ N/A
Sale Price/Gross Liv. Area	\$ 88.89 sq.ft.
Data Source(s)	MLS#11603532/ C21 UPCHURCH
Verification Source(s)	EXTERIOR INSPECTION/CAD
VALUE ADJUSTMENTS	DESCRIPTION
Sales or Financing	CASH
Concessions	NORMAL CLOSE
Date of Sale/Time	SD: 11/11 DOM 116
Location	LAKE/AVG
Leasehold/Fee Simple	Fee Simple
Site	8.5 ACS (.25 WFLOT)
View	RESIDENTIAL/LAKE
Design (Style)	TRADITIONAL
Quality of Construction	SIDING/AVG
Actual Age	17
Condition	AVERAGE
Above Grade	Total Bdrms. Baths
Room Count	8 4 2.0
Gross Living Area	1,708 sq.ft.
Basement & Finished Rooms Below Grade	0
Functional Utility	AVERAGE
Heating/Cooling	EFWA/CAC
Energy Efficient Items	TYPICAL
Garage/Carport	2 CAR CARPORT
Porch/Patio/Deck	PORCH/DECK
FIREPLACE	1-WBFP
IMPROVEMENTS	STG BUILDING
AMENITIES	BOAT DOCK
Net Adjustment (Total)	\$ 10,860
Adjusted Sale Price of Comparables	\$ 138,860
I <input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain	
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.	
Data Source(s) RCAD	
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.	
Data Source(s) RCAD & HCAD	
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).	
ITEM	SUBJECT
Date of Prior Sale/Transfer	
Price of Prior Sale/Transfer	
Data Source(s)	RCAD
Effective Date of Data Source(s)	5/11/2012
Analysis of prior sale or transfer history of the subject property and comparable sales SUBJECT PROPERTY HAS NOT SOLD IN THE LAST THREE YEARS, IN ADDITION NO PRIOR SALES OF THE COMPARABLES COULD BE FOUND.	
Summary of Sales Comparison Approach COMPARABLES USED IN THIS APPRAISAL REPORT ARE CONSIDERED IN THE SAME MARKETING AREA OF THE SUBJECT AND WERE OF SIMILAR CONSTRUCTION AND QUALITY. ADJUSTMENTS WERE NECESSARY FOR SIZE AND AMENITIES. THE APPRAISER PLACED MORE WEIGHT ON COMPARABLE ONE AND TWO DUE TO IT BEING THE CLOSEST SALES TO THE SUBJECT. THE SUBJECT IS LOCATED ON ONE WATERFRONT LOT THAT IS ONLY 10,900 SF THAT IS LOCATED ON A SMALL SHALLOW CHANNEL AND THE WATERFRONT ACCESS FOR THE SUBJECT APPEARS TO ONLY BE ABOUT 40 FT OF SHORELINE AT THE END OF THIS CHANNEL SEE PLAT. THE OTHER LOTS WERE NOT GIVEN MUCH VALUE DUE TO ALL BEING INTERIOR LOTS WITH NO IMPROVED ROAD. NO VALUE WAS GIVEN FOR THE ABOVEGROUND POOL OR SPA.	
Indicated Value by Sales Comparison Approach \$ 139,000	
Indicated Value by: Sales Comparison Approach \$ 139,000 Cost Approach (if developed) \$ 139,546 Income Approach (if developed) \$ N/A	
FOR THE VALUE ESTIMATED IN THIS REPORT, MOST WEIGHT IS GIVEN TO THE SALES COMPARISON APPROACH AS IT REFLECTS THE BUYERS AND SELLERS ACTIONS AND IS SUPPORTED BY THE COST APPROACH. THE INCOME APPROACH WAS NOT CONSIDERED RELEVANT FOR THIS REPORT AND THEREFORE NOT USED.	
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:	
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 139,000, as of 05/11/2012, which is the date of inspection and the effective date of this appraisal.	



## Uniform Residential Appraisal Report

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ADDITIONAL COMMENTS	THE SUBJECT AND THE COMPARABLES ARE CONSIDERED TO COMPETE FOR A TYPICAL NEIGHBORHOOD PURCHASER DUE TO THEIR CLOSE PROXIMITIES, FUNCTIONAL UTILITIES AND DESIGN. THE SUBJECT IS CONSIDERED TO REFLECT A TYPICAL NEIGHBORHOOD DWELLING AND THE COMPARABLES ARE CONSIDERED TO BE REASONABLE INDICATORS OF MARKET VALUE.			
	ADJUSTMENTS REFLECTED HEREIN REFLECT THE NOTED OR ANTICIPATED MARKET REACTION FOR THE NOTED VARIANCES. THE ADJUSTMENTS ARE CONSIDERED TO BE REASONABLE GIVEN THE COMPARABLE PROXIMITY TO THE SUBJECT PROPERTY. THE SUBJECT DEVELOPMENT IS CONSIDERED TO CONSIST PRIMARILY OF EXISTING DWELLINGS THAT APPEAR TO BE IN AVERAGE CONDITION.			
	ESTIMATED TOTAL SITE VALUES HAVE BEEN BASED ON CURRENT LAND SALES IN THE SUBJECTS MARKET AREA. ADJUSTMENTS FOR SITE SIZE AND VIEW VARIANCES HAVE BEEN INCLUDED TO REFLECT ANTICIPATED MARKET PREFERENCE AND ARE CONSIDERED TO BE REASONABLE. NO EXTERNAL OBSOLESCENCE WAS NOTED OR ANTICIPATED FOR THE SUBJECT SITE.			
	THE SUBJECTS FUNCTIONAL UTILITY IS CONSIDERED TO BE AVERAGE. THIS ASSUMPTION IS BASED ON THE APPRAISERS FIELD REVIEW, PHYSICAL INSPECTION OF THE SUBJECT DWELLING, PAST APPRAISAL ASSIGNMENTS IN AND AROUND THE SUBJECT NEIGHBORHOOD AND FROM THE DATA SEARCH.			
	SQUARE FOOTAGE ADJUSTMENTS WERE INCLUDED HEREIN AND HAVE BEEN BASED ON A FACTOR NEAR 30% TO 35% OF THE ESTIMATED CONSTRUCTION COST, PER SQUARE FOOT, FOR THE SUBJECT DWELLING. CONSIDERATION FOR DIFFERENCES IN THE NUMBER OF BEDROOMS IS CONSIDERED TO HAVE BEEN INCLUDED IN THE SQUARE FOOTAGE ADJUSTMENTS. BATHROOMS WERE ADJUSTED AT A RATE OF \$500.00 PER HALF BATH. AMENITY DIFFERENCES WERE NOTED AND HAVE BEEN CONSIDERED. THESE DIFFERENCES REQUIRED CONSIDERATION FOR GARAGES, WORKSHOPS AND FIREPLACES. ASSOCIATED ADJUSTMENTS FOR AMENITY DIFFERENCES HAS BEEN BASED ON THE THEORY OF CONTRIBUTORY VALUE.			
	THE LENDER, SELLER, INVESTOR AND PURCHASER SHOULD RELY ON A SURVEY FOR FINAL DETERMINATION OF THE SUBJECT SITES DIMENSIONS, SIZE, POSSIBLE EASEMENTS AND ENCROACHMENTS, FLOOD ZONE LOCATION AND ANY OTHER SITE RELATED ISSUE. THE APPRAISERS VISUAL INSPECTION OF THE SUBJECT SITE DID NOT REVEAL ANY OBVIOUS ADVERSE FEATURES.			
	NOTE TO: UNDERWRITERS, LOAN OFFICERS, LOAN PROCESSORS AND MORTGAGE PERSONNEL. RE: THE APPRAISAL IN YOUR POSSESSION FEATURES DIGITAL SIGNATURES. IN AN EFFORT TO REDUCE BORROWERS COSTS IN BOTH TIME AND MONEY, THESE TOOLS ARE RECOGNIZED AND ENCOURAGED BY FNMA, FLHMC, HUD AND VA. THE SIGNATURES WHICH ARE DIGITIZED AND PRINTED ELECTRONICALLY ARE ORIGINAL, NOT COPIES. THE APPRAISAL REPORT IS INTENDED FOR USE IN A MORTGAGE FINANCE TRANSACTION ONLY. IT IS NOT INTENDED FOR ANY OTHER USE.			
	THE APPRAISER HAS PERFORMED NO PRIOR SERVICES ON THE SUBJECT PROPERTY.			
	THE INTENDED USER OF THIS REPORT IS THE LENDER/CLIENT			
	THE INTENDED USE OF THIS REPORT IS ASSET VALUATION.			
COST APPROACH	<b>COST APPROACH TO VALUE (not required by Fannie Mae)</b>			
	Provide adequate information for the lender/client to replicate the below cost figures and calculations.			
	Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) SITE VALUE ESTIMATE WAS OBTAINED FROM LOT SALES IN FANNIN COUNTY THAT WERE FOUND IN THE DALLAS MLS SYSTEM.			
	ESTIMATED <input checked="" type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW			
	Source of cost data MARSHAL & SWIFT		OPINION OF SITE VALUE ..... = \$ 55,000	
	Quality rating from cost service AVG Effective date of cost data 12/2010		DWELLING 1,708 Sq.Ft. @ \$ 66.00 ..... = \$ 112,728	
	Comments on Cost Approach (gross living area calculations, depreciation, etc.)		Sq.Ft. @ \$ ..... = \$	
	THE SITE VALUE ESTIMATE IS BASED ON SITE TO VALUE RATIOS. THE COSTS WERE DEVELOPED FROM MARSHALL & SWIFT SERVICE, APPRAISER'S FILES, AND LOCAL COST DATA FROM LOCAL BUILDERS AND SUPPLIERS. PHYSICAL DEPRECIATION IS BASED ON THE AGE/LIFE METHOD. ESTIMATED REMAINING ECONOMIC LIFE IS 45 +/- YEARS FOR HUD, VA, AND FmHA USERS.		Garage/Carport Sq.Ft. @ \$ ..... = \$	
			Total Estimate of Cost-New ..... = \$ 112,728	
			Less Physical Functional External	
		Depreciation 28,182 ..... = \$( 28,182)		
		Depreciated Cost of Improvements ..... = \$ 84,546		
		*As-is" Value of Site Improvements ..... = \$		
Estimated Remaining Economic Life (HUD and VA only) 45 Years		INDICATED VALUE BY COST APPROACH ..... = \$ 139,546		
INCOME	<b>INCOME APPROACH TO VALUE (not required by Fannie Mae)</b>			
	Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$		Indicated Value by Income Approach	
	Summary of Income Approach (including support for market rent and GRM)			
PUD INFORMATION	<b>PROJECT INFORMATION FOR PUDs (if applicable)</b>			
	Is the developer/builder in control of the Homeowners' Association (HOA)? <input type="checkbox"/> Yes <input type="checkbox"/> No Unit type(s) <input type="checkbox"/> Detached <input type="checkbox"/> Attached			
	Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.			
	Legal Name of Project			
	Total number of phases		Total number of units	
	Total number of units rented		Total number of units sold	
	Total number of units for sale		Data source(s)	
	Was the project created by the conversion of existing building(s) into a PUD? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, date of conversion.			
	Does the project contain any multi-dwelling units? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source			
	Are the units, common elements, and recreation facilities complete? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, describe the status of completion.			
Are the common elements leased to or by the Homeowners' Association? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe the rental terms and options.				
Describe common elements and recreational facilities.				

**Uniform Residential Appraisal Report**

File # 11023495

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

**Uniform Residential Appraisal Report**

File # 11023495

**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.



## Uniform Residential Appraisal Report

File # 11023495

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

**SUPERVISORY APPRAISER'S CERTIFICATION:** The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

## APPRAISER

Signature *Devlin Kirchman*  
 Name DEVLIN KIRCHMAN  
 Company Name JERRY KIRCHMAN & ASSOCIATES  
 Company Address PO BOX 8038, GREENVILLE, TX 75404  
 Telephone Number (903) 455-7613  
 Email Address DEVKIRCH@AOL.COM  
 Date of Signature and Report May 14, 2012  
 Effective Date of Appraisal 05/11/2012  
 State Certification # TX-1329508-R  
 or State License # \_\_\_\_\_  
 or Other (describe) \_\_\_\_\_ State # \_\_\_\_\_  
 State TX  
 Expiration Date of Certification or License 7/31/2012

## ADDRESS OF PROPERTY APPRAISED

220 BLUEWATER DR  
EAST TAWAKONI, TX 75472

APPRAISED VALUE OF SUBJECT PROPERTY \$ 139,000

## LENDER/CLIENT

Name WILL HESTER  
 Company Name SCHEEF & STONE, LLP  
 Company Address 500 N AKARD ST, STE 2700, DALLAS, TX 75201  
 Email Address \_\_\_\_\_

## SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 Company Name \_\_\_\_\_  
 Company Address \_\_\_\_\_  
 Telephone Number \_\_\_\_\_  
 Email Address \_\_\_\_\_  
 Date of Signature \_\_\_\_\_  
 State Certification # \_\_\_\_\_  
 or State License # \_\_\_\_\_  
 State \_\_\_\_\_  
 Expiration Date of Certification or License \_\_\_\_\_

## SUBJECT PROPERTY

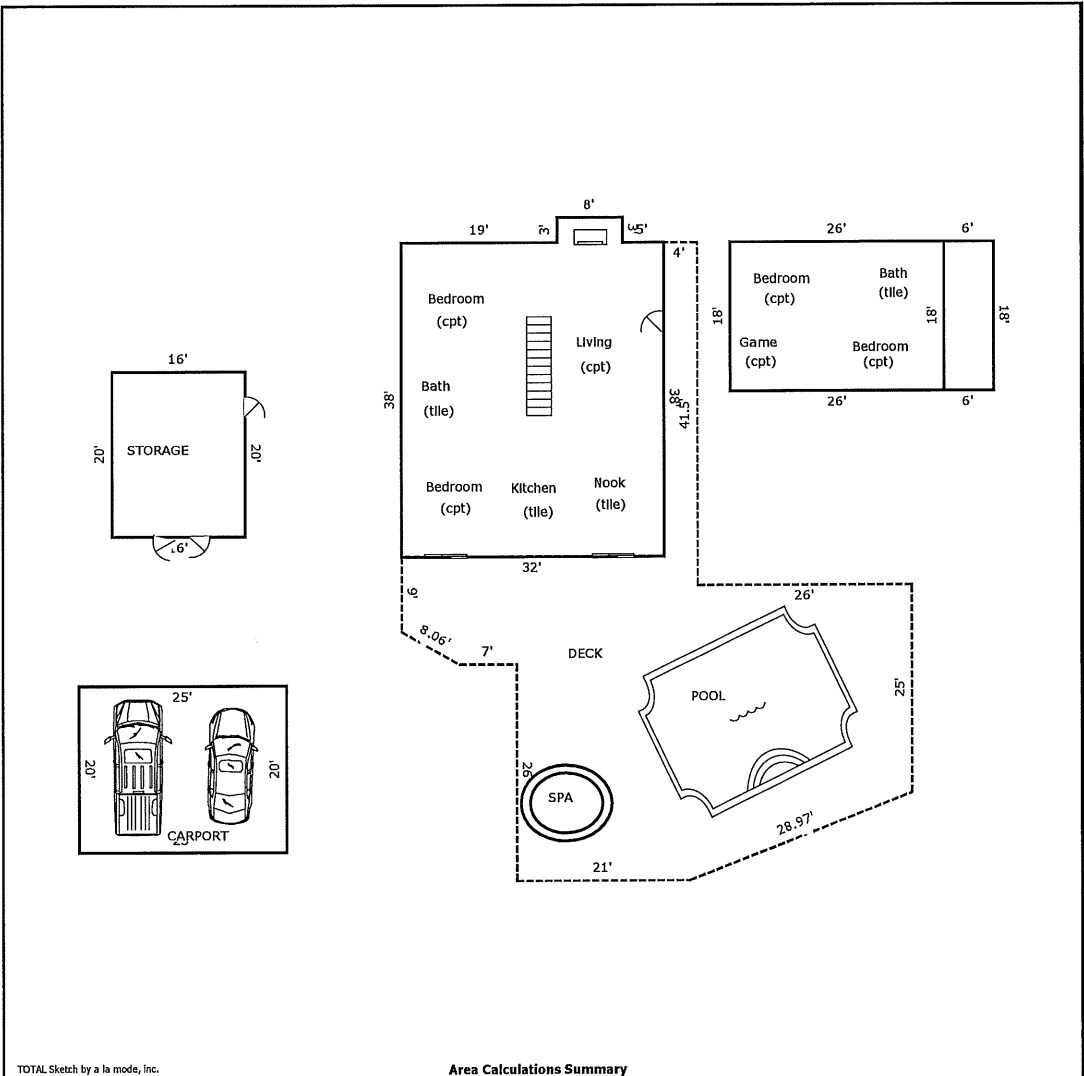
- ☐ Did not inspect subject property  
☐ Did inspect exterior of subject property from street  
 Date of Inspection \_\_\_\_\_  
☐ Did inspect interior and exterior of subject property  
 Date of Inspection \_\_\_\_\_

## COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street  
☐ Did inspect exterior of comparable sales from street  
 Date of Inspection \_\_\_\_\_

JKIRGOLF

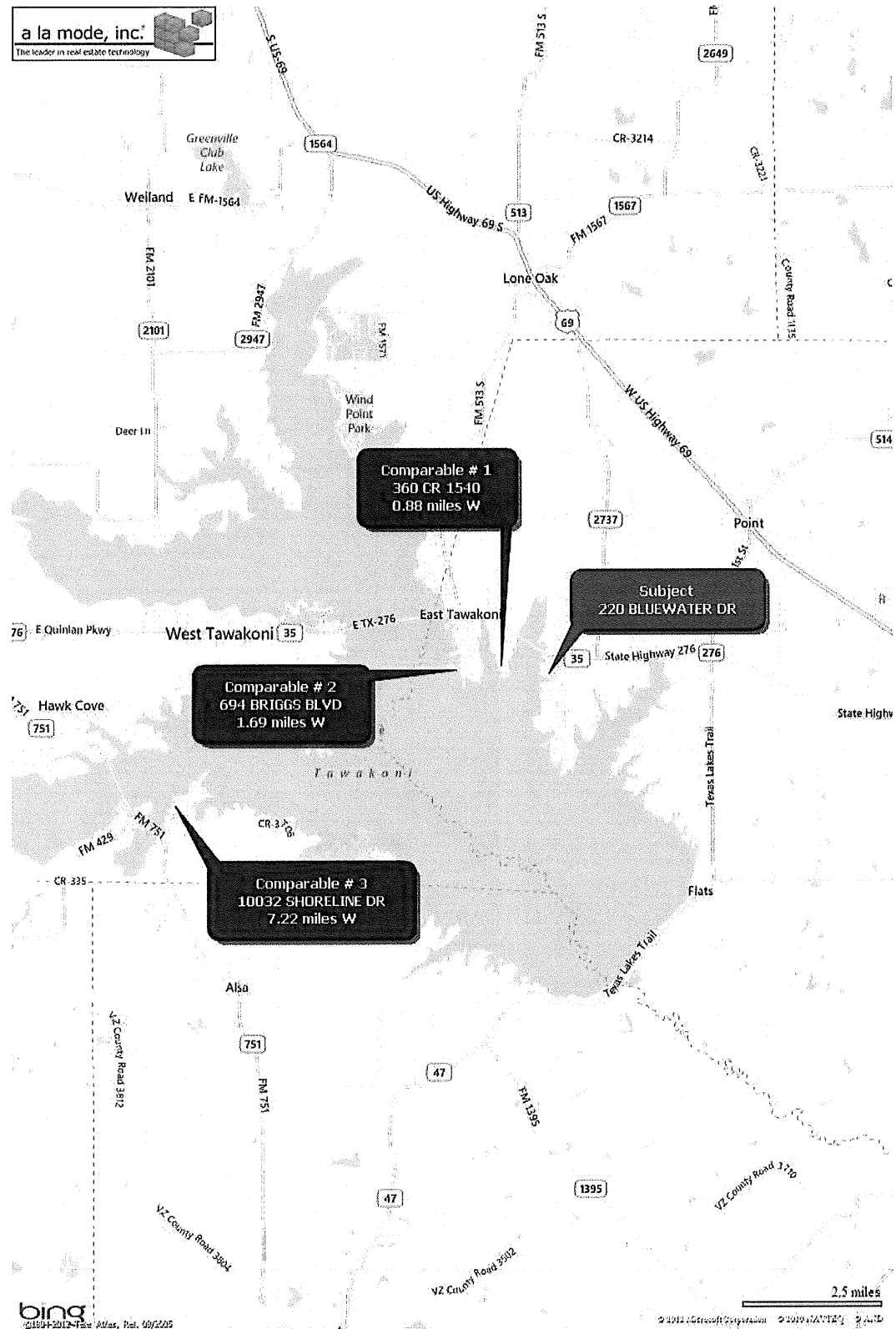
Borrower/Client	N/A				
Property Address	220 BLUEWATER DR				
City	EAST TAWAKONI	County	RAINS	State	TX Zip Code 75472
Lender	SCHEEF & STONE, LLP				



TOTAL Sketch by a la mode, Inc.		Area Calculations Summary		Calculation Details	
<b>Living Area</b>					
First Floor	1240 Sq ft			8 x 3 =	24
				32 x 38 =	1216
Second Floor	468 Sq ft			18 x 26 =	468
<b>Total Living Area (Rounded):</b>		<b>1708 Sq ft</b>			
<b>Non-living Area</b>					
Open Porch	108 Sq ft			18 x 6 =	108
Wood Deck	1959.25 Sq ft			4 x 38 =	152
				36 x 3.5 =	126
				62 x 5.5 =	341
				19.5 x 27 =	526.5
				0.5 x 10.5 x 27 =	141.75
				21 x 26 =	546
				4 x 28 =	112
				0.5 x 4 x 7 =	14
2 Car Carport	500 Sq ft			20 x 25 =	500
Third Floor	320 Sq ft			20 x 16 =	320

Location Map

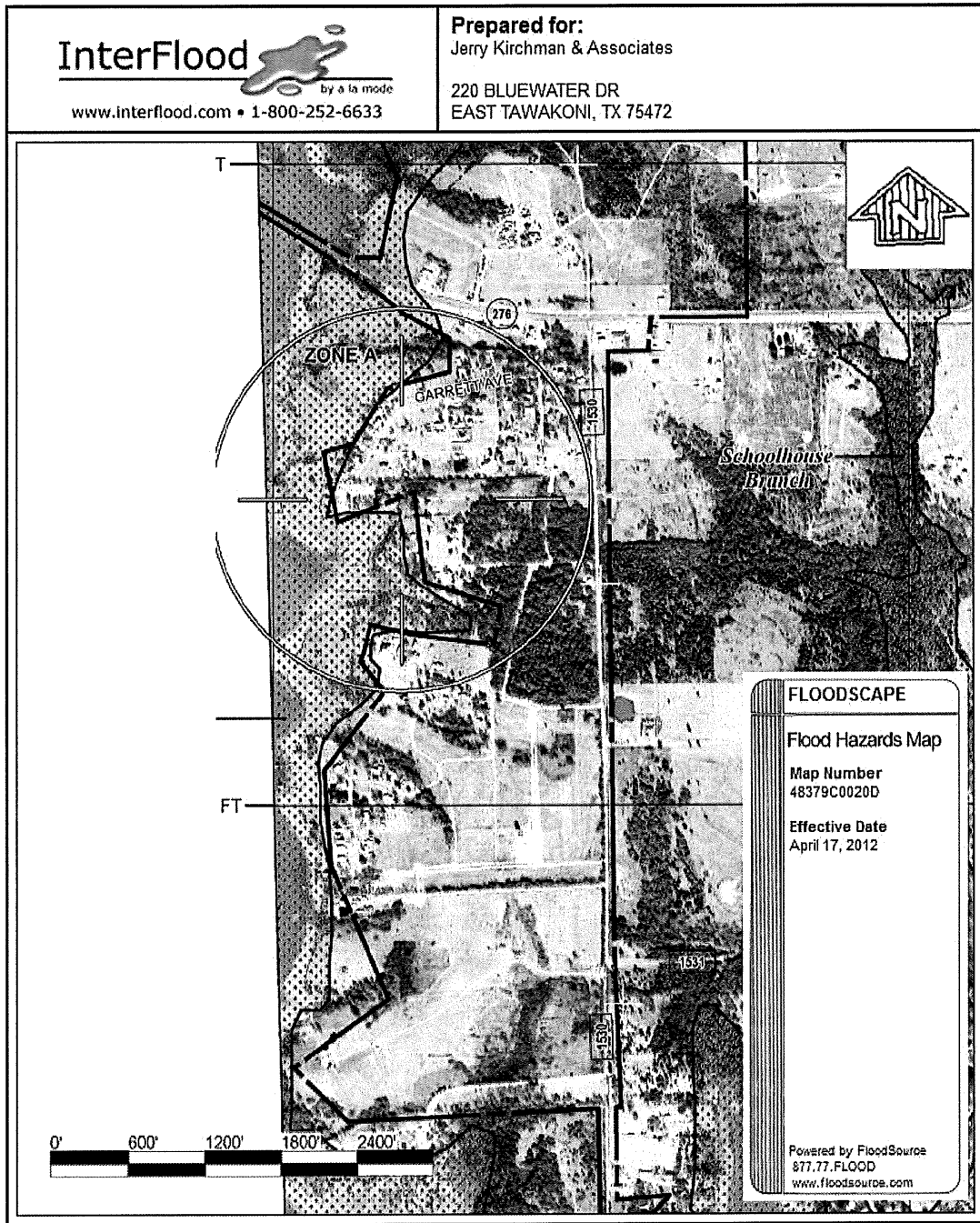
Borrower/Client	N/A			
Property Address	220 BLUEWATER DR			
City	EAST TAWAKONI	County	RAINS	State TX Zip Code 75472
Lender	SCHEEF & STONE, LLP			





**Flood Map**

Borrower/Client	N/A				
Property Address	220 BLUEWATER DR				
City	EAST TAWAKONI	County	RAINS	State	TX Zip Code 75472
Lender	SCHEEF & STONE, LLP				

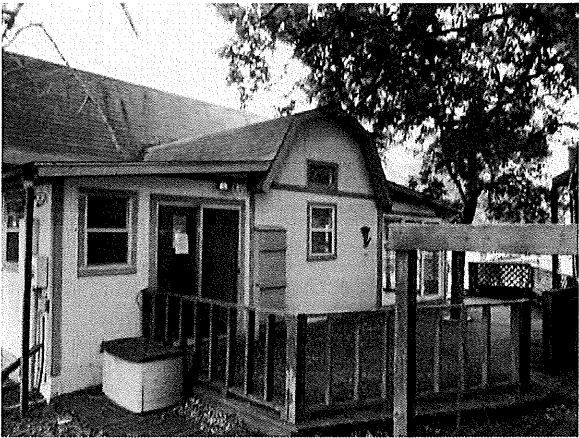


© 1999-2012 SourceProse and/or FloodSource Corporations. All rights reserved. Patents 6,631,326 and 6,676,615. Other patents pending. For info: info@floodsource.com.



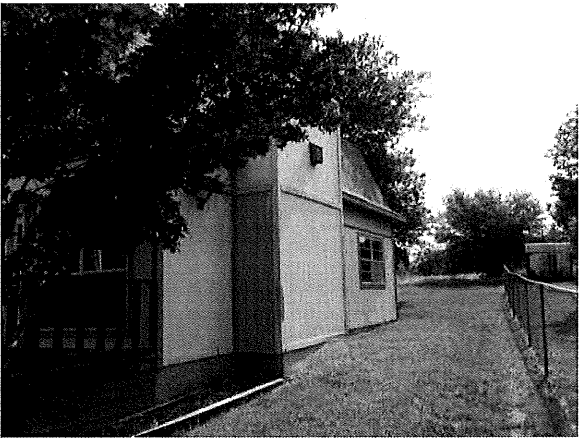
Subject Photo Page

Borrower/Client	N/A				
Property Address	220 BLUEWATER DR				
City	EAST TAWAKONI	County	RAINS	State	TX Zip Code 75472
Lender	SCHEEF & STONE, LLP				



Subject Front

220 BLUEWATER DR  
Sales Price N/A  
Gross Living Area 1,708  
Total Rooms 8  
Total Bedrooms 4  
Total Bathrooms 2.0  
Location LAKE/AVG  
View RESIDENTIAL/LAKE  
Site 8.5 ACS (.25 W/LOT)  
Quality SIDING/AVG  
Age 17



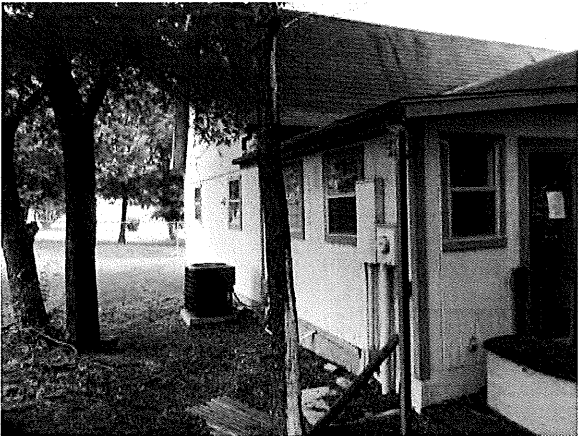
Subject Rear



Subject Street

PHOTOGRAPH ADDENDUM

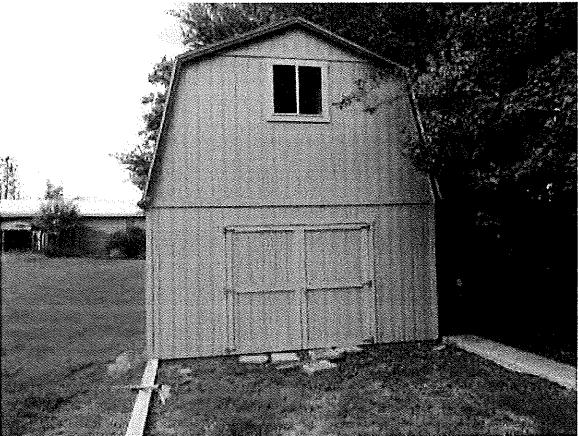
Borrower/Client	N/A				
Property Address	220 BLUEWATER DR				
City	EAST TAWAKONI	County	RAINS	State	TX Zip Code 75472
Lender	SCHEEF & STONE, LLP				



LEFT VIEW



RIGHT VIEW



STORAGE BUILDING

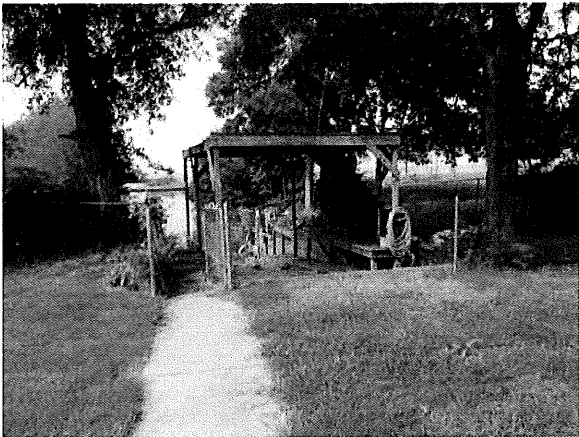


Photograph Addendum

Borrower/Client	N/A				
Property Address	220 BLUEWATER DR				
City	EAST TAWAKONI	County	RAINS	State	TX Zip Code 75472
Lender	SCHEEF & STONE, LLP				



CARPORT



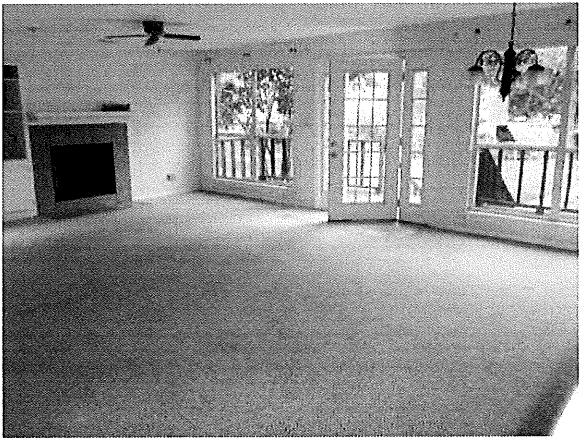
BOAT DOK



LAKE VIEW

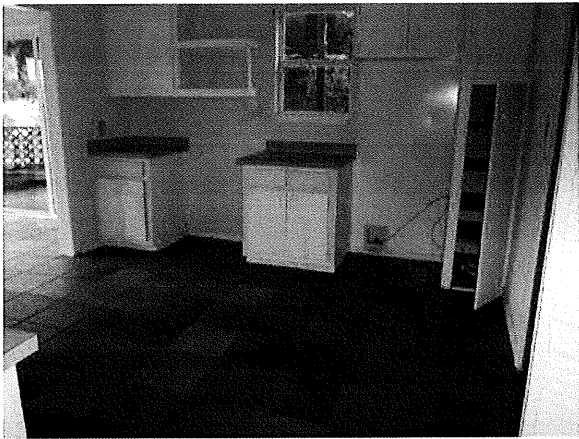
Subject Interior Photo Page

Borrower/Client	N/A				
Property Address	220 BLUEWATER DR				
City	EAST TAWAKONI	County	RAINS	State	TX Zip Code 75472
Lender	SCHEEF & STONE, LLP				

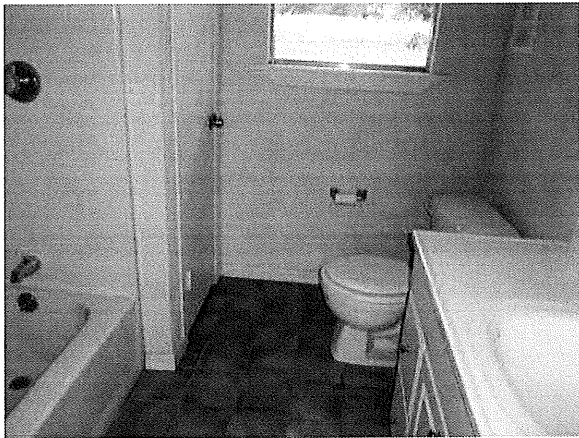


LIVING ROOM

220 BLUEWATER DR  
Sales Price N/A  
Gross Living Area 1,708  
Total Rooms 8  
Total Bedrooms 4  
Total Bathrooms 2.0  
Location LAKE/AVG  
View RESIDENTIAL/LAKE  
Site 8.5 ACS (.25 W/LOT)  
Quality SIDING/AVG  
Age 17



KITCHEN

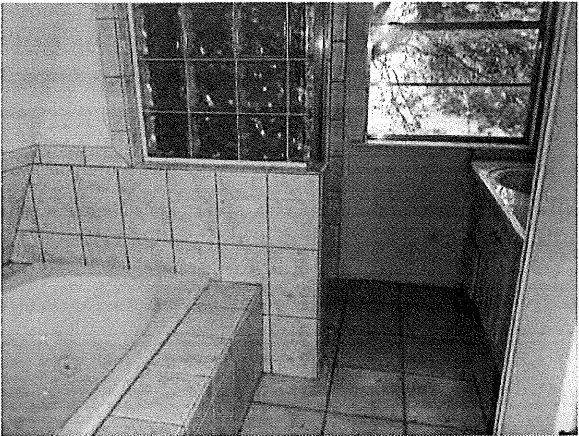


BATHROOM



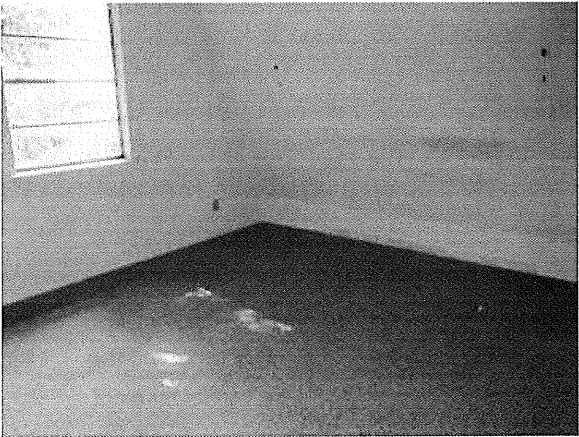
Subject Interior Photo Page

Borrower/Client	N/A				
Property Address	220 BLUEWATER DR				
City	EAST TAWAKONI	County	RAINS	State	TX Zip Code 75472
Lender	SCHEEF & STONE, LLP				

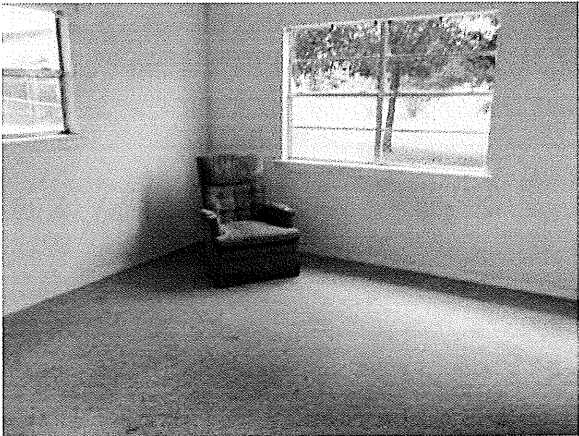


BATHROOM

220 BLUEWATER DR  
Sales Price N/A  
Gross Living Area 1,708  
Total Rooms 8  
Total Bedrooms 4  
Total Bathrooms 2.0  
Location LAKE/AVG  
View RESIDENTIAL/LAKE  
Site 8.5 ACS (25 WFLOT)  
Quality SIDING/AVG  
Age 17



BEDROOM



BEDROOM

**Comparable Photo Page**

Borrower/Client	N/A				
Property Address	220 BLUEWATER DR				
City	EAST TAWAKONI	County	RAINS	State	TX Zip Code 75472
Lender	SCHEEF & STONE, LLP				

**Comparable 1**

360 CR 1540  
Prox. to Subject 0.88 miles W  
Sale Price 128,000  
Gross Living Area 1,440  
Total Rooms 5  
Total Bedrooms 3  
Total Bathrooms 2.0  
Location LAKE/AVG  
View RESIDENTIAL/LAKE  
Site .50 AC WFLOT  
Quality SIDING/AVG  
Age 20

**Comparable 2**

694 BRIGGS BLVD  
Prox. to Subject 1.69 miles W  
Sale Price 150,000  
Gross Living Area 1,783  
Total Rooms 7  
Total Bedrooms 3  
Total Bathrooms 2.1  
Location LAKE/AVG  
View RESIDENTIAL/LAKE  
Site .32 AC WFLOT  
Quality BRK VNR/AVG  
Age 35

**Comparable 3**

10032 SHORELINE DR  
Prox. to Subject 7.22 miles W  
Sale Price 134,000  
Gross Living Area 1,404  
Total Rooms 6  
Total Bedrooms 3  
Total Bathrooms 1.1  
Location LAKE/AVG  
View RESIDENTIAL/LAKE  
Site .14 AC WF LOT  
Quality SIDING/AVG  
Age 42



TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

BE IT KNOWN THAT

**DEVLIN DREW KIRCHMAN**

HAVING PROVIDED SATISFACTORY EVIDENCE OF THE QUALIFICATIONS REQUIRED  
BY THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT,  
TEXAS OCCUPATIONS CODE, CHAPTER 1103,  
IS AUTHORIZED TO USE THE TITLE

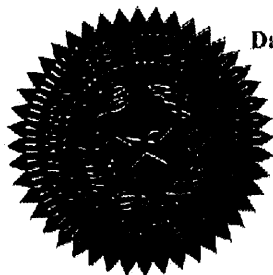
**STATE CERTIFIED  
RESIDENTIAL REAL ESTATE APPRAISER**

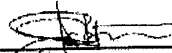
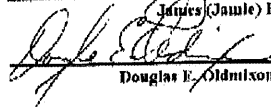
**Number: TX-1329508-R**

**Date of Issue: June 10, 2010**

**Date of Expiration: July 31, 2012**

*In Witness Whereof*



  
James (Jamie) B. Ratliff, Chair  
  
Douglas E. Oldmixon, Commissioner

James (Jamie) B. Ratliff, Chair  
Walker R. Beard  
Clinton P. Sayers

Mark A. McAnally, Vice Chair  
Robert D. Davis, Jr.  
Bill F. Schneider

Luis F. De La Garza, Jr., Secretary  
Danny K. Perkins  
Donna L. Walz



## APPRAISER RESUME

<b>PERSONAL DATA</b>			
Name: <u>DEVLIN D KIRCHMAN</u>		Phone Number: <u>903-455-7613</u>	
Company Name: <u>JERRY KIRCHMAN &amp; ASSOCIATES</u>		Fax Number: <u>903-455-7639</u>	
Address: <u>P. O. BOX 8038</u> <u>GREENVILLE, TX 75404</u>		Certifications: <u>TX-1330106-R</u>	
<b>PROFESSIONAL MEMBERSHIPS</b>			
NONE			
<b>EDUCATION</b>			
Name of Institution (HS, College, University, etc.)	Dates Attended	Type of Degree or Certificate	
GREENVILLE HIGH SCHOOL	1979-1983	H.S. DIPLOMA	
<b>Professional/Technical Courses (Appraisal Related)</b>			
REAL ESTATE LAW	1995	EAST TEXAS STATE UNIVERSITY	
REAL ESTATE PRINCIPLES	1995	EAST TEXAS STATE UNIVERSITY	
REAL ESTATE FINANCE	1996	EAST TEXAS STATE UNIVERSITY	
MARSHALL & SWIFT RESIDENTIAL HANDBOOK	2002	LINCOLN GRADUATE CENTER	
APPRAISAL OF RESIDENTIAL PROPERTY	2002	LINCOLN GRADUATE CENTER	
USPAP	2004	LEONARD HAWES REAL ESTATE SCHOOL	
<b>Seminars, Conferences, Clinics Attended</b>			
NATIONAL EDUCATION CONFERENCE NAMA	2003	LINCOLN GRADUATE CENTER	
<b>EMPLOYMENT HISTORY</b>			
Employer's Name and Address	Business Title	Dates of Employment	% of Time Dedicated to Appraising
JERRY KIRCHMAN & ASSOCIATES P.O. BOX 8038, GREENVILLE, TX 75404-8038	APPRAISER	6/1997-PRESENT	65
<b>EXPERIENCE SUMMARY</b>			
EMPLOYED AS AN APPRAISER WITH JERRY KIRCHMAN & ASSOCIATES SINCE JUNE 1996 WITH EXPERIENCE IN APPRAISING SINGLE FAMILY RESIDENTIAL, MULTI-FAMILY, INCOME PROPERTY, AND LAND APPRAISALS.			
<b>APPRAISAL COVERAGE AREAS</b>		<b>MARKET AND COST DATA SOURCES</b>	
COUNTIES: HUNT, ROCKWALL, COLLIN, GRAYSON, FANNIN, DELTA, HOPKINS, RAINS, VAN ZANDT, KAUFMAN		MARSHALL & SWIFT GREATER DALLAS AREA OF REALTORS	
<b>REFERENCES</b>			
BRETT HALL AMERICAN NATIONAL BANK 903-455-7592		LAURA HARTNETT FANNIN BANK 903-583-5522	
JACQUE MURLEY BANKERS FINANCIAL 903-450-8211		NORMA KIDWELL FIRST NATIONAL BANK OF TRENTON 903-837-2800	
FRANK ADAMS GREAT OAK MORTGAGE 972-312-0007		ALECIA BOOHER AMERICAN BANK OF TEXAS 903-583-2101	
SIGNATURE OF APPRAISER: <u>Devlin D Kirchman</u>		DATE: <u>May 14, 2012</u>	



# **MULTI-PURPOSE SUPPLEMENTAL ADDENDUM FOR FEDERALLY RELATED TRANSACTIONS**

Jerry Kirchman & Associates

Borrower/Client	N/A				
Property Address	220 BLUEWATER DR				
City	EAST TAWAKONI	County	RAINS	State	TX
Lender	SCHEEF & STONE, LLP			Zip Code	75472

This Multi-Purpose Supplemental Addendum for Federally Related Transactions was designed to provide the appraiser with a convenient way to comply with the current appraisal standards and requirements of the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of Currency (OCC), The Office of Thrift Supervision (OTS), the Resolution Trust Corporation (RTC), and the Federal Reserve.

**This Multi-Purpose Supplemental Addendum is for use with any appraisal. Only those statements which have been checked by the appraiser apply to the property being appraised.**

## ☒ **PURPOSE & FUNCTION OF APPRAISAL**

The purpose of the appraisal is to estimate the market value of the subject property as defined herein. The function of the appraisal is to assist the above-named Lender in evaluating the subject property for lending purposes. This is a federally related transaction.

## ☒ **EXTENT OF APPRAISAL PROCESS**

- ☒ The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion.
- ☒ The Reproduction Cost is based on MARSHALL & SWIFT RESIDENTIAL COST HANDBOOK supplemented by the appraiser's knowledge of the local market.
- ☒ Physical depreciation is based on the estimated effective age of the subject property. Functional and/or external depreciation, if present, is specifically addressed in the appraisal report or other addenda. In estimating the site value, the appraiser has relied on personal knowledge of the local market. This knowledge is based on prior and/or current analysis of site sales and/or abstraction of site values from sales of improved properties.
- ☒ The subject property is located in an area of primarily owner-occupied single family residences and the Income Approach is not considered to be meaningful. For this reason, the Income Approach was not used.
- ☐ The Estimated Market Rent and Gross Rent Multiplier utilized in the Income Approach are based on the appraiser's knowledge of the subject market area. The rental knowledge is based on prior and/or current rental rate surveys of residential properties. The Gross Rent Multiplier is based on prior and/or current analysis of prices and market rates for residential properties.
- ☐ For income producing properties, actual rents, vacancies and expenses have been reported and analyzed. They have been used to project future rents, vacancies and expenses.

## ☒ **SUBJECT PROPERTY OFFERING INFORMATION**

- According to DALLAS/FT. WORTH MULTIPLE LISTING SERVICE the subject property:
- ☐ has not been offered for sale in the past: ☐ 30 days ☐ 1 year ☐ 3 years.
- ☒ is currently offered for sale for \$ 125,000.
- ☐ was offered for sale within the past: ☐ 30 days ☐ 1 year ☐ 3 years for \$ \_\_\_\_\_.
- ☐ Offering information was considered in the final reconciliation of value.
- ☒ Offering information was not considered in the final reconciliation of value.
- ☐ Offering information was not available. The reasons for unavailability and the steps taken by the appraiser are explained later in this addendum.

## ☒ **SALES HISTORY OF SUBJECT PROPERTY**

- According to COUNTY DEED RECORDS the subject property:
- ☒ Has not transferred ☐ in the past twelve months. ☐ in the past thirty-six months. ☒ in the past 5 years.
- ☐ Has transferred ☐ in the past twelve months. ☐ in the past thirty-six months. ☐ in the past 5 years.
- ☒ All prior sales which have occurred in the past 3 YRS. are listed below and reconciled to the appraised value, either in the body of the report or in the addenda.

Date	Sales Price	Document #	Seller	Buyer

## ☒ **FEMA FLOOD HAZARD DATA**

- ☒ Subject property is not located in a FEMA Special Flood Hazard Area.
- ☐ Subject property is located in a FEMA Special Flood Hazard Area.

Zone	FEMA Map/Panel #	Map Date	Name of Community
X	48379C0020D	04/17/2012	RAINS COUNTY

- ☒ The community does not participate in the National Flood Insurance Program.
- ☐ The community does participate in the National Flood Insurance Program.
- ☒ It is covered by a regular program.
- ☐ It is covered by an emergency program.

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